

Iowa Department of Inspections and Appeals
Social and Charitable Gambling Program
Lucas State Office Building
Des Moines, Iowa 50319-0083

Sales Tax Report Information: 1-800-367-3388

STATE LAW REQUIRES FILING THIS FORM

CHECK THIS BOX TO DESIGNATE NO GAMBLING ACTIVITY, SIGN, AND RETURN:

NOTE: If there is no gambling activity, do not send a copy of this form to the Department of Revenue.

LICENSE NUMBER	FOR QUARTER ENDING	DUE DATE	ISSUE DATE	LICENSE TYPE
<p><i>Make any changes or corrections to the above information</i></p> <p>Sales Tax Permit Number:</p>				

SEE REVERSE SIDE FOR INSTRUCTIONS

GAMBLING ACTIVITY THIS QUARTER		TOTALS
1. Total gambling money collected _____ + _____ + _____ = Bingo Raffles Games of Skill/Chance		\$
2. Divide total money collected by 1.05 [(1.06 if Local Option <u>OR</u> School Local Option Tax applies) (1.07 if Local Option <u>AND</u> School Local Option Tax apply)] to obtain gross receipts		\$
3. Cost of prizes (exclude donated prizes)		\$
4. Subtract Line 3 from Line 2 for Net Receipts		\$
5. Allowable expenses incurred as a result of gambling activity (IAC 481-100.33) This shall not exceed 25 percent of Line 4		\$
6. Subtract Line 5 from Line 4 <i>This amount must be used for charitable, religious, educational, public, civic or patriotic purposes.</i>		\$
TOTAL income from all sources		\$
COMPLETE THE FOLLOWING IF YOU HAVE PRIOR APPROVAL TO HOLD FUNDS FOR SPECIAL PROJECTS		
<i>Prior approval to hold funds must be obtained by writing the Department at the above address, ATTN: Social and Charitable Gambling Unit</i>		
Funds held from previous quarter		\$
Funds held for current quarter		\$
TOTAL funds held		\$

Do Not Detach

SALES TAX RETURN FOR TEMPORARY GAMBLING ACTIVITIES

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Do not send a copy of this form to the Department of Revenue IF there has been no gambling activity during the quarter.

For Period Ending: _____

County Number: _____ (where gambling activity takes place)

Name: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Make Check or Money Order Payable to: Treasurer, State of Iowa

Do Not Send Payment if you have a sales tax permit. Remit tax due with sales tax return.

I hereby certify that the information in this report is correct. I understand that misrepresentation may be cause for revocation of the gambling license and/or the sales tax permit and may lead to other penalties under State law.

1a	State Sales Tax Collected Multiply LINE 2 above by .05	\$
2a	Local Option Tax Collected (if applicable) Multiply LINE 2 above by .01	\$
3a	School Local Option Tax Collected (if applicable) Multiply LINE 2 above by .01	\$
4a	TOTAL tax (add lines 1a, 2a, and 3a)	\$
5a	Penalty (see instructions on reverse side)	\$
6a	Interest (see instructions on reverse side)	\$
7a	TOTAL Amount Due (add lines 4a, 5a, and 6a)	\$

Preparer's Signature

Date _____

GAMBLING QUARTERLY REPORT INSTRUCTIONS

For questions regarding the GAMBLING QUARTERLY REPORT, contact the Department of Inspections and Appeals at (515) 281-6848.

LINE 1 – Money Collected (Income)	INCLUDE all money collected from bingo, raffles, games of skill or chance, entrance or participation fees for an annual game/casino night. DO NOT INCLUDE money collected from Iowa lottery tickets, food, merchandise, concessions, or auctions.
LINE 3 – Cost of Prizes	INCLUDE the total amount of cash and the cost of merchandise awarded as prizes in bingo, raffles, and games of skill or chance. A withholding tax of 5 percent is required on all cash prizes over \$600. DO NOT INCLUDE DONATED PRIZES.
LINE 5 – Allowable Expenses	INCLUDE reasonable expenses, which according to 481 IAC 100.33, shall not exceed 25 percent of the net receipts. No expense item shall be allowed without a proper receipt, paid invoice, or cancelled check, and shall not be paid from an outside source. The burden of proof is on the licensee to show that all expenses were incurred exclusively and directly as a result of the gambling activity. An expense will not be considered reasonable if the amount charged significantly exceeds the prevailing rate or average retail cost of the item or service purchased. Expenses allowed within the 25 percent limit are: the license fee, rent of a building or equipment, taxes (other than state and local sales tax paid on gross receipts), promotional expense, major equipment purchases, overhead expenses, bingo worker compensation, and other expenses incurred exclusively and directly as a result of the gambling activity. [481 IAC 103.8] DO NOT INCLUDE sales or local option taxes, prizes, or cost of concession food or merchandise.
LINE 6 – Use of Dedicated Funds	AT LEAST 75 percent of net receipts not distributed as prizes must be dedicated and distributed to educational, civic, public, charitable, patriotic, or religious uses in this state. It is the responsibility of the licensee to be able to demonstrate that this money has been used for these lawful purposes. Iowa law states that if a licensee derives 90 percent or more of its total income from conducting bingo, raffles, or small games of skill or chance, then at least 75 percent of the net receipts (line 4 amount) must be distributed to an unrelated entity for an educational, civic, public, charitable, patriotic, or religious use. This action must be taken within 30 days of this reporting quarter.
Total Income from all Sources	INCLUDE ALL gross gambling and non-gambling income your organization received during this quarter, such as dues, fund raisers, etc.
Mailing	MAIL A COPY OF THIS FORM, along with a copy of your accounting records for this quarter to the address below. (Note: Use of the complete mailing address will speed delivery and processing of your report.) Department of Inspections and Appeals Social and Charitable Gambling Program Lucas State Office Building 321 East 12 th Street Des Moines, Iowa 50319-0083

SALES TAX REPORT INSTRUCTIONS

For questions regarding the SALES TAX REPORT, contact the Iowa Department of Revenue at 1-800-367-3388

Gambling revenue is always taxable. Individuals or groups engaged in gambling activities must report and pay sales tax on the GROSS RECEIPTS (not net receipts) of all gambling activities. The use of the proceeds is irrelevant to the requirement to collect sales tax when the source of the proceeds is gambling activity. All gambling licensees must complete this entire form. If your organization holds a valid sales tax permit, **DO NOT** remit money with this form. Send payment with your sales tax return.

LINE 1a – State Sales Tax	Multiply the TOTAL entered in LINE 2 from the upper portion of the Quarterly Report by .05 and enter this amount here.
LINE 2a – Local Option Tax	Multiply the TOTAL entered in LINE 2 from the upper portion of the Quarterly Report by .01 if Local Option Tax applies and enter this amount here.
LINE 3a – School Local Option Tax	Multiply the TOTAL entered in LINE 2 from the upper portion of the Quarterly Report by .01 if School Local Option Tax applies and enter this amount here.
LINE 4a – Total Sales Tax	Add LINES 1a, 2a, and 3a and enter this amount here. This is your Sales Tax Due amount. The Sales Tax report must be filed with the Iowa Department of Revenue and sales taxes paid by the same due date shown in the upper portion of the Gambling Quarterly Report.
LINE 5a – Penalty	A penalty of 10 percent will be added to the tax due for failure to timely file a return if at least 90 percent of the correct amount of tax is not paid by the due date. A penalty of 5 percent will be added to the return if at least 90 percent of the correct tax is not paid by the due date. Penalties can be waived only under limited circumstances.
LINE 6a – Interest	Interest accrues on the unpaid tax at a rate prescribed by law per month or fraction of a month from the date the return was originally due to the date the tax is paid. Any fraction of a month is considered as a whole month for purposes of computing interest.
LINE 7a – Total Amount	Add LINES 4a, 5a, and 6a and enter this amount here. Make the check or money order payable to: Treasurer – State of Iowa.
Mailing	MAIL A COPY OF THIS ENTIRE FORM and a check or money order to the address below. NOTE: If there is no gambling activity during the quarter, do not mail a copy to the Department of Revenue. Iowa Department of Revenue ATTN: Gambling Report 401 SW 7 th Street, Suite C Des Moines, IA 50309